The suggestion of the Government of Kerala to restrict import of pepper through specified port may not have much impact.

Setting up industries in backward areas

1556 SHRI THANGATAMIL SELVAN: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether it is a fact that industrial growth has taken place mostly around cities during the post liberalisation era;

(b) whether it is entirely left to the MNCs to choose the location of industry; and

(c) the steps taken/proposed to be taken to set up/enable setting up of industries in the rural areas particularly backward regions?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOVAN): (a)to(c) Under the liberalised Industrial Policy, investment in the industrial sector depends upon the commercial judgement of the entrepreneurs However, balanced regional development has been one of the principal objectives of the Government. In this direction, package of fiscal incentives have been announced for some special category States namely Assam, Meghalaya, Manipur, Mizoram, Nagaland, Arunachal Pradesh, Tripura, Sikkim, Jammu & Kashmir, Himachal Pradesh and Uttaranchal, which are located in hilly, remote and inaccessible areas. These industrial packages aim at attracting investors by giving them various financial incentives/concessions/subsidies. The salient features of the various packages are as under:

* North-East Industrial Policy (NEIP) was announced on 24.12.1997 for promoting industrialization in the North-Eastern region. Under this Policy, various concessions have been allowed to industrial units in the North Eastern Region, which include development of industrial infrastructure, excise and in come-tax exemption and Subsidy Schemes like Central Capital Investment Subsidy, Central Interest Subsidy, and Central Comprehensive Insurance Scheme.

* New Industrial Policy and other concessions for the State of Sikkim was announced on 23.12.2002 by the Government on the lines of NEIP.

* New Industrial Policy & other concessions for Jammu & Kashmir was announced on 14.6.2002. As in the case of NEIP, various concessions have been allowed to industrial units.

* New Industrial Policy & other concessions for Himachal Pradesh and Uttaranchal was announced on 7.01.2003. Under this policy, various concessions have been allowed to industrial units, which include development of industrial infrastructure, excise and income-tax exemption and Central Capital Investment Subsidy.

* Transport Subsidy Scheme is an ongoing Scheme, which was introduced in 1971 and is valid upto 31.03.2007. This Scheme is , applicable to all the aforesaid States and Darjeeling District of West Bengal, Andaman & Nicobar Islands and Lakshadweep. Under this Scheme subsidy ranging from 50 to 90 per cent is paid on the transportation cost of raw material and finished goods.

Effect of Tsunami on seafood exports

1557. SHRIMATI N.P. DURGA: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether it is a fact that recent Tsunami has affected our sea food exports to other countries;

(b) whether any assessment of the extent of damage caused by Tsunami to our seafood has been made;

(c) if so, the details thereof;

(d) whether it is a fact that the prices of shrimps, squids, crabsticks, Surimi, etc; have gone up by 40 per cent and thereby directly affected our sea food exports; and

(e) what steps the Ministry is taking to maintain the prices of sea food in the country?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOVAN): (a) It is too early to assess the impact of Tsunami on our sea-food exports.

(b) and (c) Approximately 68,000 traditional and mechanised boats; 2 lakh fishing nets; and 5700 hectares of aqua farms, among others, have been lost/damaged by Tsunami. Besides, Tsunami has rendered thousands . of fishermen homeless.

(d) No, Sir.

(e) The price of all goods, including the seafood, is decided by demand and supply mechanism.